EXHIBIT 3

In re Yang and Olsen, 177 USPQ 88 (Patent Office Solicitor 1973)

Appellants have disclosed that the coolant void coefficient of a reactor in which the core operates on the Pu^{239}-U^{238} cycle can be reduced by adding any of the following pairs of isotopes: U^{238}-U^{233}; U^{238}-U^{235}; Th^{232}-U^{233}; Th^{232}-U^{235}; and Th^{232}-Pu^{239}.

The specification does not disclose a core composition having a specific amount of each of the isotopes, *but does disclose examples of the relative amount of the Pu^{239}-U^{238} mixture to the Th^{232}-U^{233} mixture* and it is stated that the other pairs of mixtures can replace the Th^{232}-U^{235} pair in substantially the same proportions.

* * *

We agree with these findings as stated.

In the reply brief submitted in response to the Examiner's Answer, Terasawa, analyzing Example 1 of the specification indicated specifically how, the relative amounts, referred to above, can be converted to specific amounts if a particular core is specified. We note that a particular core *is* specified in Example 1 and neither the Board of Appeals has commented on the calculations relative to the specification nor has Loewenstein charged that these calculations are incorrect. The reply brief is a part of the record of the parent Terasawa application and certainly cannot be ignored. We accept the calculations as correct and in view thereof hold that the parent Terasawa application 551,143 complies with the pertinent section of 35 U.S.C. 112, referred to supra.

Accordingly, we find said parent application to meet the requirements of a constructive reduction to practice of the invention of the counts in issue. 35 U.S.C. 120.

To complete the record, we note in passing that Loewenstein is hardly in a position to criticize the parent Terasawa application's specification, since a cursory examination of the Loewenstein patent specification reveals a lack of disclosure of specific proportions of the fuel elements recited in the counts. Nor do we find the source for the computations set forth in detail in Tables I, II and III, cols. 3 and 4 of the involved Loewenstein patent. Cf. Plumat v. Dunipace, 59 CCPA ____, 175 USPQ 105, 108.

Judgment

Priority of invention of the subject matter of counts 1 and 2 is awarded to Shoichi Terasawa, Masaaki Yamamoto and Kotaro Inoue, the senior party.

Patent Office Solicitor

In re YANG AND OLSEN

Decided Jan. 24, 1973

PATENTS

1. Applications for patents — Secrecy of application (§15.7)

Specification — Reference to other disclosures (§62.5)

Ordinarily, a mere gratuitous reference in a patent to a pending application, e.g., one not claiming benefit of application's filing date, does not give rise to a right of access by the public to that application; situation is different where application is formally and positively incorporated by reference into patent; in such a situation, disclosure of pending application, as of filing date of patented application, is made a part of patent disclosure; such specific legal incorporation by reference constitutes a waiver of confidentiality requirement of 35 U.S.C. 122 insofar as it relates to disclosure of application, as of specified filing date; hence, access is justified only to application disclosure in its condition as of the filing date of patent application; incorporation by reference provides no basis for granting access to prosecution history of application.

Petition by Edward J. Kondracki for access to application of Jih Hsin Yang and Robert A. Olsen, Serial No. 77,032, filed Sept. 30, 1970. Petition granted.

MARTIN, Associate Solicitor.

Edward J. Kondracki has petitioned for access to the above identified pending application on the grounds that (1) it has been incorporated by reference into Patent No. 3, 693,533, (2) the patent further refers at column 7, lines 44-47, to the application, and (3) reference to the application is necessary to study the merits of the patent.

Applicant, through counsel, opposes the petition on the grounds that (1) the petition does not come within the "special circumstances" exception of 35 U.S.C. 122, especially since this application "does not rely * upon the filing date" of the patent "which makes reference to it", (2) petitioner's ground 3 is "incorrect" because the claims of the patent are restricted to apparatus, and the "apparatus itself and its method of operation are fully dis-

* Applicant apparently meant to state that the patent does not rely upon the filing date of the instant application, filed September 30, 1970, which is earlier than the December 28, 1970 filing date of the patented application.

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closed in the patent", (3) specified foreign equivalents of the pending application are available to petitioner, and (4) granting of access would provide access to the prosecution history of the application, which in now way relates to the validity of the issued patent.

In a reply to the opposition, petitioner asserts that the contents of foreign patent disclosures have no bearing on the present petition. It is further stated that "it is the U. S. application disclosure which is incorporated by reference in the issued U. S. patent and not the foreign equivalents".

[1] Ordinarily, a mere gratuitous reference in a patent to a pending application, e.g., one not claiming the benefit of the application's filing date, does not give rise to a right of access by the public to that application. The situation is quite different where, as here, the application is formally and positively incorporated by reference into the patent. The patent states that the instant application is "hereby incorporated by reference" (column 1, lines 31-36). The pertinent definition of "incorporation by reference" in Webster's Third International Dictionary reads:

> A doctrine in law: the terms of a contemporaneous or earlier writing, instrument or document capable of being identified can be made an actual part of another writing, instrument, or document by referring to, identifying, and adopting the former as part of the latter.

Under that definition, the conclusion is inescapable that the disclosure of the instant application, as of the filing date of the patented application, had been made an actual part of the patent disclosure. Any doubt on that score is resolved by the word "hereby" in the patent. Assuming arguendo that the patent disclosure fully complies with 35 U.S.C. 112, paragraph 1, nevertheless the specific legal incorporation by reference of the instant application, must be construed as a waiver of the confidentiality requirement of Section 122 insofar as it relates to the disclosure of the application, as of the filing date just specified. Hence, grounds (2) and (3) of the opposition are without merit.

The legal effect of the express incorporation by reference is to justify access only to the application disclosure in its condition, as of the December 28, 1970 filing date of the patented application. Since that disclosure was not amended up to that date, petitioner is entitled to access only to the original disclosure of the pending application. The incorporation by reference provides no basis for granting access to the prosecution history of that application. It is emphasized that petitioner's ground (1) alone is a sufficient basis, in view of the reasons given, for granting the degree of access spelled out above.

The petition is granted to the extent indicated.

Arkansas Supreme Court

RECTOR-PHILLIPS-MORSE, INC. v. VROMAN

No. 5-6136 Decided Jan. 15, 1973

UNFAIR COMPETITION

1. Trade secrets — In general (§68.901)

Trade secret is secret formula, method, or device that gives one an advantage over competitors; card-indexed information showing real estate data such as description, location, zoning, taxes, access to utilities and transportation, rentals, and similar facts is not secret, since much of such information is available from public sources, though not in such accessible and concentrated form; at best, information is confidential.

Appeal from Pulaski Chancery Court, Matthews, Chancellor.

Action by Rector-Phillips-Morse, Inc., against George Richard Vroman for breach of contract. From judgment for defendant, plaintiff appeals. Affirmed.

HOUSE, HOLMES & JEWELL and ROBERT L. ROBINSON, JR., both of Little Rock, Ark., for appellant.

EDWARD L. WRIGHT, JR., Little Rock, Ark., for appellee.

SMITH, Justice.

The appellant, referred to by the parties as RPM, brought this suit to enjoin George Richard Vroman, a former RPM employee, from competing with RPM in Pulaski county for a period of three years after the termination of Vroman's employment with RPM. This appeal is from a decree denying relief, upon the ground that Vroman's employment involved no trade secrets and that the three-year restriction was unreasonably long.

Vroman, a real estate salesman, had been in RPM's employ for a few years when the contract in issue was signed on February 1, 1969. RPM then had some 31 salesmen. W. F. Rector, RPM's principal officer and stockholder, testified that eight of the best salesmen, including Vroman, were offered employment contracts as an inducement for them to stay with RPM. Those men were allowed to buy RPM corporate stock. Vroman, for example,